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## [Cambodia: Malaysian minister's interventionism on Samling's behalf](#)

Due to a decline in log supply in their own country -as a consequence of years of depredatory practices- Malaysian logging companies have recently and rapidly expanded abroad. Some of them, together with oil palm plantation companies, are well known to the indigenous peoples of Sarawak for having negatively affected their livelihoods and promoted the destruction of the native forests. The Malaysian government has publically expressed the need for its country's companies to operate responsibly abroad, but reality seems far away from such concern.

In the last five years the number and influence of foreign logging companies in Cambodia have increased significantly, and nowadays over seven million hectares are under timber concessions. The Malaysian-based logging giant Samling International, exploits an area of 800,000 hectares under concession. In late 1998 the Royal Government of Cambodia (RGC) increased the timber royalty rate that the 21 companies who control the bulk of Cambodia's forests as timber concessions have to pay, from US\$14 to US\$54 per cubic metre. Samling, which is the most important member of the Cambodia Timber Industry Association (CTIA), immediately reacted against the new rate by ceasing operations in January 1999 and refusing to pay the US\$4,320,000 due on its 80,000 m<sup>3</sup> stockpile, what gave place to a long-running dispute. In the past Samling had been warned by the RGC for its activities of illegal logging. "It is ironic that the concessionaires, which have presided over a period of such unprecedented forest destruction, complain the minute that the RGC attempts to put forestry in order" expressed Patrick Alley of Global Witness, a UK-based NGO that has been monitoring logging activities in Cambodia (see WRM Bulletin 30).

The Malaysian authorities then made a move to defend Samling's interests, and last month the Malaysian Primary Industries Minister, Datuk Seri Dr Lim Yaik, visited Cambodia to lobby the RGC and get the royalty rates reduced. Instead of acting in favour of its country's depredatory logging companies, the government of Malaysia should take profit of its position in the timber world market to try to control them. As stated by Malaysian Minister of Primary Industry himself during his visit to Brazil in 1996: "Malaysian investors should obey the law of the land and seek sustainable practices in order to create a trusting relationship." What is the Minister therefore doing in Cambodia?

Sources: Global Witness, 2/3/2000; e-mail: mail@globalwitness.demon.co.uk ; WRM and Forest Monitor, "High Stakes. The need to control transnational logging companies: a Malaysian case study", August 1998.